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RESERVE

Market Administrator's

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MARKET ADMINISTRATOR

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EASY EATING GOES WITH DAIRY MONTH

Suppose milk were a seasonal specialty like corn-on-the-cob or peaches.

Not so long ago, something very like that was actually the case. In point of fact, that's the reason June is Dairy Month, instead of November or February.

Oh, yes, milk was available year 'round but, as summer approached, cows, under the benevolent influence of balmy air and more plentiful grazing, increased their milk production to its yearly peak.

Not only was the milk supply more lavish, so were the other dairy-fresh foods made from milk — including cottage cheese, butter, sour cream. The Milk Season was deliciously on!

That's why, in 1937, when National Milk Month made its bow, its sponsors chose to hold it from June 12 to July 10. By 1939, it had become June Dairy Month, celebrated on a calendar month basis with a national campaign to promote greater use of the dairy products in such plentiful supply.

Today, even though fashions inspired by those of the '30's are back in milady's wardrobe, dairy farming has come a long way from the '30's. New knowledge and techniques have affected everything from Bossy's housing to her dinner bucket, making

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USDA AMENDS NORTHWESTERN OHIO MILK ORDER

After the required two-thirds approval by dairy farmers affected, the U. S. Department of Agriculture has added a seasonal producer payment plan to the Northwestern Ohio Federal milk marketing order similar to plans in nearby Ohio orders. It will apply to milk marketings starting with April.

USDA's Consumer and Marketing Service officials said terms of the amended order containing the new plan are identical to those of the final decision of April 28.

The plan will deduct money from producers' returns for milk sold in flush milk production months and pay it to them later in the year when production is lower. The purpose of the plan is to encourage level milk production throughout the year.

The take-out months will be April through July, with deductions at the rate of 6 percent of the average basic formula price for the preceding calendar year, but not to exceed 25 cents per hundredweight of milk. Then one-fourth of the total amount withheld will be paid producers in each of the months of September through December.

The amended order is based on a public hearing held April 14 at Perrysburg, Ohio.

GAIN IN WORLD MILK PRODUCTION SLOWS

World milk output rose only slightly in 1969, compared with an average 2 percent annual gain in the previous decade. Preliminary production estimates for 36 countries, which account for the bulk of world cow's milk output, were 712 billion pounds last year, up from 711 billion pounds in 1968.

Reversing the upward trend of recent years, 1969 milk production in the European Community (EC) leveled off, and it dropped 2 percent in other West European countries. Poor quality hay and unfavorable weather contributed. Actions were taken by some governments, particularly Austria and Switzerland, last year to curtail milk output. Toward the end of 1969, the EC adopted provisions to grant slaughter premiums up to \$200 per cow to small dairy farmers (1-10 cows) who slaughter their cows and move out of dairying. Larger dairy farmers can be granted up to \$200 per cow for agreeing not to market milk or dairy products for a period of 5 years.

Australia appears to have made a complete recovery from 1968's drought and short feed supplies. New Zealand's output probably remained about the same. The dairy-to-beef di-

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MARKET FACTS FOR EASY REFERENCE

PRICE SUMMARY

	Apr. 1970	Mar. 1970	Apr. 1969
Producers' Uniform Price (3.5%)	\$5.53*	\$5.73*	\$5.34*
Class I (3.5%)	6.23	6.28	6.10
Class II (3.5%)	4.59	4.28	4.25
Producer Butterfat Differential for each 1/10%	8.2¢	8.0¢	8.0¢

*Producer location differential—

Distance of Receiving Plant from City Hall, Cincinnati, Ohio

50 but less than 60 miles .10¢ less

Each additional 10 miles or fraction thereof, an additional .015¢ less

UTILIZATION SUMMARY

	Apr. 1970	Mar. 1970	Apr. 1969
Percent of Producer Milk in Class I	72.9	72.8	72.8
Percent of Producer Milk in Class II	27.1	27.2	27.2

PRODUCTION SUMMARY

Total Bulk Tank Milk Deliveries	62,545,161	63,309,548	58,527,616
Total Can Milk Deliveries	932,649	962,675	1,028,150
Total Pounds Producer Milk Delivered	63,477,810	64,272,223	59,555,766
Percentage of Tank Milk to Total Deliveries	98.5	98.5	98.3
Number of Tank Producers	2,503	2,547	2,490
Number of Can Producers	75	75	92
Total Number of Producers	2,578	2,622	2,582
Percentage of Tank Producers to Total Producers	97.1	97.1	96.4
Average Daily Receipts per Tank Producer	833	802	784
Average Daily Receipts per Can Producer	415	414	373
Average Daily Receipts per All Producers	821	791	769
Average Butterfat Test of All Producers	3.67	3.74	3.63
Average Daily Class I Use (Gross)	1,708,667	1,654,160	1,622,526

VALUE SUMMARY

Total Value at Average Test	\$3,595,155	\$3,805,916	\$3,242,081
Income per Producer (7 Day Average)	\$325	\$327	\$292

AVERAGE DAILY SALES (Quarts)

Milk	519,731	518,472	506,703
Buttermilk	17,785	16,998	16,394
Chocolate	39,384	35,146	34,611
Skim	157,454	150,571	140,435
Cream	7,970	8,167	8,631

COMPARATIVE STATISTICS

CINCINNATI MARKETING AREA

APRIL, 1961 — '70

Year	Receipts from Producers	Average Butter-fat Test	Percentage of Producer Milk in Each Class			Uniform Producer Price (3.5%)	Class Prices at 3.5%			Number of Producers	Average Daily Production
			Class I	Class II	Class III		Class I	Class II	Class III		
1961	54,090,784	3.74	63.6	17.2	19.2	3.79	4.6480	3.3295	2.9200	4,120	438
1962	53,616,291	3.68	64.4	20.8	14.8	3.81	4.76	3.1759	2.6938	3,648	490
1963	55,211,442	3.68	64.9	16.8	18.3	3.77	4.67	3.1025	2.7188	3,359	548
1964	58,350,118	3.70	63.2	17.3	19.5	3.80	4.64	3.1066	2.7250	3,248	599
1965	61,198,401	3.72	68.6	13.7	17.7	3.91	4.65	3.1505	2.7688	3,248	628
1966	65,648,084	3.70	67.9	32.1	-----	4.41	5.14	3.47	-----	3,162	692
1967	67,073,715	3.67	58.2	41.8	-----	4.65	5.55	3.91	-----	2,949	758
1968	60,480,087	3.64	71.7	28.3	-----	5.12	5.86	4.11	-----	2,719	741
1969	59,555,766	3.63	72.8	27.2	-----	5.34	6.10	4.25	-----	2,582	769
1970	63,477,810	3.67	72.9	27.1	-----	5.53	6.23	4.59	-----	2,578	821

ACTION TO CLOSE GAPS IN DAIRY IMPORT CONTROLS

Secretary of Agriculture Clifford M. Hardin announced new action to close gaps in import quotas for dairy products.

At the request of the Secretary, President Richard M. Nixon has instructed the United States Tariff Commission to undertake an investigation and report on the necessity for import controls on four non-quota dairy products which are being imported in increasing quantities. The products are: ice cream, chocolate crumb with a fat content of 5.5 percent or less, animal feeds containing milk or milk derivatives, and certain cheese containing 0.5 percent or less by weight of butterfat.

The Commission's investigation will be made under the authority of Section 22 of the Agricultural Adjustment Act, as amended, which directs the Secretary of Agriculture to advise the President whenever he has reason

to believe that articles are being imported, or are likely to be imported, in such quantities as to interfere with the price support program for milk and butterfat. If the President agrees that there is reason for such belief, he causes an investigation by the Tariff Commission to be undertaken. Upon receiving the Commission's report and recommendations, the President may, by proclamation, establish or modify import quotas in such a manner as he determines to be necessary within the limits stated in the law.

Secretary Hardin pointed out that all of the items concerned are products of recent appearance in international trade and that the effect of their importation is that the existing dairy import controls have been circumvented. Imports of the milk-containing feeds commenced in 1968; the other three items never appeared

in international commerce until after the previous Section 22 action which was completed on January 6, 1969.

The Department noted that the mixed feeds which are used in calf feeding consist of dry skim milk or dry whole milk to which has been added tallow or other non-dairy fats. Such addition, at present, exempts these feeds from classification as quota products. Quotas on dry skim milk and dry whole milk have been in effect since 1953.

The other three items are used solely by food processors. None are direct consumption items. The product called "ice cream" contains abnormally high amounts of milk solids and is used by the ice cream manufacturers.

It is expected that the Tariff Commission will soon announce public hearings at which interested parties will be invited to testify.

DAIRY SALES CLOSE TO 1968 LEVELS

As in 1968, dairy product sales improved in the second half of 1969, after declining in the early months of the year. Commercial disappearance of milk in all dairy products (fat solids basis) was estimated at 109.1 billion pounds, just under the 109.4 billion in 1968. For the past 3 years

there has been little year-to-year change in total commercial disappearance.

Last year, commercial disappearance of all dairy products included about 106½ billion pounds milk equivalent purchased by civilians, around 2 billion bought by the Armed

Forces for use in the United States, and approximately 1 billion pounds commercially exported or shipped to U. S. territories.

Dairy product sales held up last year primarily because of the strong markets for low-fat fluid milk, cottage cheese, and cheese.



EASY EATING GOES WITH DAIRY MONTH

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it possible to achieve favorable conditions and high milk production all year long.

Still, June remains Dairy Month. It's traditional! — and it's logical.

The coming of summer, after all, signals a change in life-style for most of us. Along with bulky overcoats, we shed a lot of the formality that goes with the "indoor" season. Clothing and living pace become a bit more casual — and so does eating.

The backyard barbecue replaces dining room suppers while the weather smiles. Cooks — who may want time to indulge their swimming or golfing interests — look for easy ways to keep the family well-fed and well-pleased.

That's where dairy foods come in. They're quick and convenient, ready to serve as is — or great ingredients. Their own fresh taste complements other foods, adds meal-appeal and nutrition.

June is a good time to call to mind how handily dairy foods fit into a tote-along meal, a fabulous dessert with make-ahead charm, a new specialty for the backyard barbecue — all kinds of carefree cookery.

* * * * *

Only about 10 million pounds of butter are churned on today's dairy farms, compared with nearly a billion pounds churned on U. S. farms in 1909. Most dairymen buy their butter at the store, just like everybody else!

Market Quotations

APRIL
1970

MINNESOTA - WISCONSIN PRICE SERIES	\$4.60
Butter-Powder Price	4.59
Average Price per lb. 92-score butter at Chicago	6983
Average carlot prices, spray process nonfat dry milk, f.o.b. Chicago area manufacturing plants2596

LITTLE CHANGE IN DAIRY EXPORTS

Dairy Situation, March, 1970

In 1969 U. S. exports of dairy products, including those under Government programs, fell to 0.9 billion pounds from the 1.2 billion pounds milk equivalent of 1968. The major decline was in exports of butter under Government programs. Exports of canned milk rose slightly. Nonfat dry milk exports were down, mainly because of reduced foreign donations from USDA stocks.

There is little prospect for increased dairy exports in 1970 because of continuing large dairy supplies in Western Europe. In the absence of direct subsidies, U. S. products cannot compete for new markets.

Offshore shipments of dairy products to U. S. territories last year were equivalent to about 0.5 billion pounds of milk, slightly less than a year earlier. Shipments of butter, cheese, nonfat dry milk, and canned milk declined.

MILK PRODUCTION SLOWS

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version scheme and lower milk prices significantly affected production last year.

Lower milk production in Western Europe, along with increased cheese production, reduced milk moving into butter by 4 percent from 1968. Nonfat dry milk production was also generally down. As a result, additions to West European butter stocks last year were less than in 1968. However, at the end of 1969, West European butter stocks were still around a billion pounds.

Several countries in that area adopted special programs to increase consumption of butter, including general price reductions, special cut-price sales, donations to needy persons, and sales for use in food processing. These programs appear to have only partially succeeded in increasing consumption, but the general downtrend in butter consumption probably would have been sharper without the programs, particularly in the EC.